CONFORMED COPY LAW OFFICE OF DANIEL N. GREENBAUM Daniel N. Greenbaum, Esq. (SBN 268104) 1467 South Holt Avenue #2 NOV 2 1 2013 Los Angeles, CA 90035 Telephone: (310) 200-2631 3 Sherri R. Carter, Executive Officer/Clerk Facsimile: (818) 788-3847 By: Shaunya Bolden, Deputy Email: danielgreenbaumesq@gmail.com 4 Attorney for SHEFA LMV, LLC 5 SUPERIOR COURT OF THE STATE OF CALIFORNIA 6 COUNTY OF LOS ANGELES 7 CENTRAL DISTRICT 8 SHEFA LMV, LLC, a California limited Unlimited Jurisdiction 9 liability company, 10 Plaintiff, CASE NO. BC528423 11 12 VS. COMPLAINT FOR CIVIL 13 PENALTY AND INJUNCTIVE CHATTEM, INC.; and DOES 1 THROUGH ) RELIEF 25, Inclusive, 14 15 Defendants. (Health and Safety Code § 25249.5 et seq.) 16 TOXIC TORT/ENVIRONMENTAL 17 18 BYFAX 19 Plaintiff SHEFA LMV, LLC, hereby alleges: 20 21 I. PRELIMINARY STATEMENT 22 This complaint seeks to remedy the failure of Defendants to warn persons of exposure 23 to Cocamide Diethanolamine, which is a chemical known to the State of California to cause cancer. 24 2. Under the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and 25 Safety Code section 25249.6, also known as "Proposition 65," businesses must provide persons with 26 a "clear and reasonable warning" before exposing individuals to chemicals known to the state to 27 cause cancer or reproductive harm. 28

COMPLAINT FOR CIVIL PENALTY AND INJUNCTIVE RELIEF

## II. PARTIES

- 3. Plaintiff is a limited liability company formed pursuant to the laws of the State of California, made up of California citizens, represented by and through its counsel of record, the Law Office of Daniel N. Greenbaum.
- 4. Health and Safety Code section 25249.7(d) provides that actions to enforce Proposition 65 may be brought by "any person in the public interest."
- 5. Defendant CHATTEM, INC. (hereinafter "CHATTEM") is a business entity with ten or more employees that sells, or has, at times relevant to this complaint, authorized the manufacture, distribution, or sale of shampoo products, including but not limited to, the brand names, Selsun Blue Medicated Treatment Dandruff Shampoo, Selsun Blue Moisturizing Treatment Dandruff Shampoo, Selsun Blue 2-in-1 Treatment Dandruff Shampoo, and Selsun Blue Dandruff Shampoo Normal to Oily, and other brand names, that contain Coconut oil diethanolamine condensate (cocamide diethanolamine), for sale within the State of California, without first giving clear and reasonable warning.
- 6. The identities of DOES 1 through 25 are unknown to Plaintiff at this time; however, Plaintiff suspects that they are business entities with at least ten or more employees that have sold, authorized the distribution, or sale of soap and shampoo products (hereinafter "PRODUCTS") under the brand name Walgreens and other brand names, that contain Coconut oil diethanolamine condensate (cocamide diethanolamine), for sale within the State of California, without first giving clear and reasonable warning.

## III. JURISDICTION AND VENUE

- 7. This Court has jurisdiction pursuant to California Constitution Article VI, section 10, because this case is a cause not given by statute to other trial courts.
- 8. This Court has jurisdiction over Defendants, because they are business entities that do sufficient business, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market, through the sale, marketing, and use of its PRODUCTS in California, to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.

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9. Venue is proper in this Court because the cause, or part thereof, arises in Los Angeles County because Defendants' PRODUCTS are sold and consumed in this county.

## IV. STATUTORY BACKGROUND

## A. **Proposition 65**

- 10. The Safe Drinking Water and Toxic Enforcement Act of 1986 is an initiative statute passed as "Proposition 65" by a vote of the people in November of 1986.
- 11. The warning requirement of Proposition 65 is contained in Health and Safety Code section 25249.6, which provides:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual, except as provided in Section 25249.10.

- 12. An exposure to a chemical in a consumer product is one "which results from a person's acquisition, purchase, storage, consumption, or other reasonably foreseeable use of a consumer good, or any exposure that results from receiving a consumer service." (Cal. Code Regs., tit. 22, § 12601, subd. (b).)
- 13. Proposition 65 establishes a procedure by which the state is to develop a list of chemicals "known to the State to cause cancer or reproductive toxicity." (Health & Saf. Code, § 25249.8.)
- 14. No warning need be given concerning a listed chemical until one year after the chemical first appears on the list. (Id., § 25249.10, subd. (b).)
- 15. Any person "violating or threatening to violate" the statute may be enjoined in any court of competent jurisdiction. (Health & Saf. Code, § 25249.7.)
- 16. To "threaten to violate" is defined to mean "to create a condition in which there is a substantial probability that a violation will occur." (Id., § 25249.11, subd. (e).)
- 17. In addition, violators are liable for civil penalties of up to \$2,500 per day for each violation, recoverable in a civil action. (Id., § 25249.7, subd. (b).)

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- California for use by citizens of the State of California.
- 25. The PRODUCTS are sold to consumers under the trade names owned by Defendants for their various brands, including those mentioned above, and using the associated trademarks and trade dress for those brands, including the distinctive retailer labels.
- 26. The process followed in manufacturing its PRODUCTS for sale to the consuming public must be approved by CHATTEM, including the PRODUCT used by individuals for personal use.
- 27. Individuals who purchase and use Defendants' PRODUCTS are exposed to Coconut oil diethanolamine condensate (cocamide diethanolamine "DEA") chiefly through:
  - a. contact between the shampoo and the skin;

from the hand to mouth and by transfer of the Cocamide DEA from the skin to objects that are put in the mouth, such as food, and;

b. transfer of Cocamide DEA from the skin to the mouth, both by transfer directly

- c. through absorption of Cocamide DEA through the skin.
- 28. Such individuals are thus exposed to the Cocamide DEA that is present on and in Defendants' PRODUCTS in the course of the intended and reasonably foreseeable use of those PRODUCTS.
- 29. At all times material to this complaint, Defendants had knowledge that the soaps or shampoos contain Cocamide DEA and that skin may come into contact with Cocamide DEA.
- 30. At all times material to this complaint, Defendants have had knowledge that individuals within the State of California handle Defendants' PRODUCTS that contain Cocamide DEA.
- 31. At all times material to this complaint, Defendants knew that Defendants' PRODUCTS were sold throughout the State of California in large numbers, and Defendants profited from such sales through, among other things, the sale of Defendants' PRODUCTS that were sold in California.
- 32. Notwithstanding this knowledge, Defendants intentionally authorized and reauthorized the sale of Defendants' PRODUCTS that contained Cocamide DEA.
- 33. At all times material to this complaint, Defendants have knowingly and intentionally exposed individuals within the State of California to Cocamide DEA.
- 34. The exposure is knowing and intentional because it is the result of the Defendants' deliberate act of authorizing the sale of PRODUCTS known to contain Cocamide DEA in a manner whereby these PRODUCTS were, and would inevitably be, sold to consumers within the state of California, and with the knowledge that the intended use of these PRODUCTS will result in exposures to Cocamide DEA within the State of California.
- 35. Defendants have failed to provide clear and reasonable warnings that the use of the PRODUCTS in question in California results in exposure to a chemical known to the State of

1	California to cause cancer, and no such warning was provided to those individuals by any other
2	person.
3	VI. FIRST CAUSE OF ACTION
4	(Against All Defendants for Violation of Proposition 65)
5	36. Paragraphs 1 through 35 are re-alleged as if fully set forth herein.
6	37. By committing the acts alleged above, Defendants have, in the course of doing
7	business, knowingly and intentionally exposed individuals in California to chemicals known to the
8	State of California to cause cancer without first giving clear and reasonable warning to such
9	individuals, within the meaning of Health and Safety Code section 25249.6.
10	38. Said violations render Defendant liable to Plaintiffs for civil penalties not to exceed
11	\$2,500 per day for each violation, as well as other remedies, such as injunctive relief requiring
12	reformulation of the products.
13	PRAYER FOR RELIEF
14	WHEREFORE, Plaintiffs pray that the Court:
15	1. Pursuant to the First Cause of Action, grant civil penalties according to proof;
16	2. Pursuant to Health and Safety Code section 25249.7, enter such temporary restraining
17	orders, preliminary injunctions, permanent injunctions, or other orders prohibiting Defendant
18	from exposing persons within the State of California to Listed Chemicals caused by the use of
19	their products without providing clear and reasonable warnings, as Plaintiffs shall specify in
20	further application to the court;
21	3. Award Plaintiffs their costs of suit;
22	4. Grant such other and further relief as the court deems just and proper.
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24	Respectfully submitted,
25	DATED: November 21, 2013
26	Van Alba
27	By: DANIEL N. GREENBAUM
28	Attorney for Plaintiff Shefa LMV, LLC
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